



Suspending vetoes: how the euro countries achieved unanimity in the fiscal compact

George Tsebelis & Hyeonho Hahm

To cite this article: George Tsebelis & Hyeonho Hahm (2014) Suspending vetoes: how the euro countries achieved unanimity in the fiscal compact, *Journal of European Public Policy*, 21:10, 1388-1411, DOI: [10.1080/13501763.2014.929167](https://doi.org/10.1080/13501763.2014.929167)

To link to this article: <https://doi.org/10.1080/13501763.2014.929167>



Published online: 24 Jun 2014.



Submit your article to this journal [↗](#)



Article views: 1586



View related articles [↗](#)



View Crossmark data [↗](#)



Citing articles: 20 View citing articles [↗](#)

Suspending vetoes: how the euro countries achieved unanimity in the fiscal compact

George Tsebelis and Hyeonho Hahm

ABSTRACT At the beginning of 2012, the 17 countries of the eurozone and eight of the ten remaining countries of the EU reached an agreement on the Treaty on Stability, Co-ordination, and Governance in the Economic and Monetary Union (TSCG, known as the Fiscal Compact). The article traces six successive drafts of the agreement to discover how these countries reached agreement. We argue that there are three different procedures that can lead different actors with veto power over an agreement to suspend their veto – they increase, decrease or preserve the dimensionality of the underlying space. We call the three methods compensation, elimination and compromise respectively, and discover that in the Fiscal Compact the agreement was achieved mainly through elimination.

KEY WORDS Compensation; compromise; dimensionality; elimination; policy space; international treaties; veto players.

1. INTRODUCTION

At the beginning of 2012, the 17 countries of the eurozone and eight of the ten remaining countries of the EU reached an agreement on the Treaty on Stability, Co-ordination, and Governance in the Economic and Monetary Union (TSCG, known as the Fiscal Compact). The whole operation took a few months to be completed. Given that it was an intergovernmental conference, it required a unanimous agreement of the 17 euro member states. The swiftness of this agreement was impressive, but given the track record of the EU, where intergovernmental agreements have been failures (like Amsterdam) or finalization has taken almost a decade (Lisbon), this is an unprecedented achievement. Obviously, the economic crisis and its threat to the common currency may have accelerated the process. Even if this were the only reason, the question remains: *how* did the EU governments achieve this agreement? Is such an achievement replicable? Can we expect a similar outcome in other international negotiations (whether they occur in the framework of the EU or not)?

International agreements share the feature that different countries participate in the discussions and, at the end, they have to choose between signing the agreement or not. In many issue areas, member countries prefer the widest participation possible, but none of the potential participants (as long as it is a

multilateral treaty) holds sole veto power. In the process of shaping the treaty, if a country has reservations, the remaining countries may prolong negotiations with higher or lower probability depending upon whether the reluctant country is one like the United States (US) or Monaco. In contrast, in bilateral negotiations and some treaties that extend or modify an existing agreement (like within the EU), each of the participants can veto the whole enterprise. Thus, persuading each individual participant to suspend this veto power is of paramount importance for the signature of the treaty.

The results of the Fiscal Compact Treaty demonstrate the above paragraph. While each of the 17 eurozone countries was almost¹ necessary for successful negotiations (i.e., it was an actual veto player), there was no reason for prolongation of discussions or further concessions to achieve the agreement of the United Kingdom (UK) or the Czech Republic (the two European Union [EU] countries which did not sign the agreement).

This article provides a framework for studying international agreements, whether the participating actors are veto players (i.e., need to agree in order to have the treaty, like the EU or the eurozone) or not (the treaty can exist without all parties participating, like the Kyoto agreements or the Nuclear Non-proliferation Treaty). After the theoretical discussion, we focus our empirical analysis on the Fiscal Compact by making use of the six sequential drafts of the Treaty (from the initial proposal to the final text), and study the modifications in each stage. In each one of these stages, the focal question is: how did the participants manage to make the one or more countries in disagreement suspend its veto in order to proceed?

The article is organized as follows: in Section 2, we provide a literature review of several strands of the literature on legal texts and international agreement (including legal precision, or the length of texts, package deals, convergence on the least common denominators and formal models of international agreement). The third section uses a Euclidean framework to understand the arguments presented and relate them to each other. It concludes that all the existing literatures can be understood as one of three categories: literature that increases policy dimensions (compensation); that eliminates dimensions from the underlying space (elimination); and that keeps the dimensionality of underlying space unchanged (compromise).

Section 4 provides a short introduction of the problems addressed by the Fiscal Compact, and applies our framework to the process of veto suspension and objection elimination. Building on this, the fifth and sixth sections provide a brief description of methodology used to construct the dataset and a statistical analysis of the information provided by the six drafts.

The essence of our research is to identify in each modification of each article whether the method used involved an increase or decrease or preservation of the underlying number of dimensions. We code amendments into three different categories: non-enforceable (the ones in the preamble of the pact); non-significant; and significant. We then compare the initial and the final text to see which of the three methods was used more and under what conditions (in

terms of significance of amendments). Finally, we compare the evolution of the treaty: how many modifications did amendments experience before the final draft was adopted? Was the convergence to final agreement fast or slow? Was there oscillation between increasing and decreasing dimensions? We conclude by pointing out the theoretical innovations of our approach the importance of the empirical findings, and call for a replication of our analysis to other international and domestic legal texts.

2. LITERATURES ON AGREEMENTS

There have been many studies on how the EU countries achieve consensus in the various stages of the policy-making process. One of the main findings in this literature is that there exists a 'preference for unanimity' in the Council's decision-making (Mattila and Lane 2001: 40; see also Aspinwall 2007; Hagemann 2008; Hagemann and De Clerck-Sachsse 2007; Hayes-Renshaw *et al.* 2006; Mattila 2004, 2008). Specifically, existing studies find that unanimous decisions occur more frequently than existing rules require and formal models assume. To explain this puzzle, a series of qualitative studies have paid special attention to the *sui generis* nature of the Council characterized by 'culture of compromise', or 'culture of consensus' (Cini 1996; Hayes-Renshaw and Wallace 1997; Heisenberg 2005; Lewis 1998a, 1998b, 2000; Van Schendelen 1996; Westlake 1995). According to these studies, informal norms, consensus, thick trust and reciprocity in the Council play a significant role in facilitating negotiations and reaching an agreement between different countries.

While these findings may be acute observations and accurate accounts, it is unclear what is replicable, and particularly *how* one would achieve such results in a different context. In this study, we seek to achieve replicable knowledge. Thus, we connect the diverse existing studies in order to provide a new framework for analysis.

We divide the literature into two broad streams: the literature on the attributes of the legal documents; and that on how the agreement is achieved. For the former, we discuss (1) the literature on precision of legal documents and (2) the empirical studies on the length or the size of the legal texts. For the latter, we explore the literatures on (1) package deals among negotiators, (2) the lowest common denominator and (3) formal models (based on co-operative or non-co-operative game theory) predicting outcomes of negotiations. These different literatures employ different approaches and lead to very different outcomes. The main goal of our article is to propose a new framework to integrate these studies that have been either theoretically or empirically disconnected from each other.

2.1. Attributes of the legal documents

2.1.1. *The literature on precision of legal documents*

Ehrlich and Posner's (1974) path-breaking article inspired scholars to examine the precision of legal texts. They use the distinction between rules and principles

as the two extremes of a continuum of precision to determine when it is optimal to maximize the precision of a legal text from the perspective of law enforcement.² Koremenos (2011) moved to the conditions of specificity of international treaties, and argued that the number and heterogeneity of signatories affect the precision of the legal document. By introducing legal precision as one of her dependent variables and controlling for the number of signatories and their heterogeneity, she can reduce the significance or even eliminate the subject matter of a treaty as an independent variable. For example, it is true that human rights treaties are much less precise than arm control or financial treaties, but this is because of the number and heterogeneity of participants, not the inherent nature of the subjects.

With respect to the EU, Dimitrova and Steunenberg (2000) present the argument that replacing specific standards by minimum ones as well as other specific imprecisions in text as discretions in implementation enable EU countries to keep at least a general framework. Similarly, Tsebelis (2013) has used 'restrictions' regarding the legal texts of the EU, and has found that quite frequently (up to 50 per cent) of the time the final text eliminates restrictions that were present in the initial draft of legislation. The restrictions could cover the conditions under which the legislation is applicable, the goals of the legislation, the means by which it is achieved or the time frame of applicability.

Finally, with respect to the very treaty we are studying, there have been a series of policy papers, reports and news articles that track and examine the changes made in the text of the drafts. For example, Valentin Kreilinger (2012: 3) compares the different drafts, and finds legal precision sometimes decreased (like in Title III of the 'Fiscal Compact'), while other times increased (like in the preamble). We will pay attention to the theoretical implications of these reports that have never been fully developed and theorized.

2.1.2 Empirical studies on the length of legal texts

There have also been consistent efforts to empirically analyze the length of the legal documents based on systematic quantitative methods (Cooter and Ginsburg 2003; Huber and Shipan 2002; Voigt 2009). Huber and Shipan (2002) study how the legislator or decision-maker who decides these rules uses the language of the statutes to establish the appropriate level of bureaucratic discretion. Their empirical strategy to test their theory deserves attention: they measure the level of discretion as the number of words in regulatory laws.³ In a similar vein, Cooter and Ginsburg (2003) examine the cross-national variation in the specificity of national laws implementing directives passed by the European Union. The authors empirically show the specificity of legislation, measured by the number of words, varies systematically across countries.⁴

However, despite development in understanding the attributes of legal texts, no studies directly evaluate how the design of the legal text can resolve disagreement and achieve consensus. In this article, we seek to fill this gap in the literature by emphasizing the dimensionality of the underlying policy space. This enables us to tease out how agreements are made possible.

2.2. How the agreement is achieved

2.2.1 *Package deals*

Numerous studies on international agreement have argued that actors who consider an agreement harmful to their interests may introduce items that compensate them for their losses. For example, instead of making a deal that protects the environment at the expense of business, one may compensate businesses with flexible adjustment, or tax reduction. Many books and articles in the literature examine ‘package deals’ or ‘side-payments’ that were necessary for the signature of a particular agreement.⁵ In the context of the EU, Weber and Wiesmeth (1991: 255) claim that ‘the technique of issue linkage as a negotiating tool has been used continually in the deliberations of the European Community’. A similar argument was also made by Martin (1993: 127).

While the idea of increasing the dimensions and trading across them is simple, the evidence is sparse because these trade-offs may be undertaken under the table, without the knowledge of observers. König and Junge (2009) use an innovative approach to determine that when two bills in the EU are on similar subjects, country vetoes are used less frequently than one would expect on the basis of the (presumed) preferences of the different countries. While the observed behavior is consistent with the compensation argument, no direct evidence of trading across dimensions is (or could be) presented. Thus, while we know that this type of behavior is likely, no existing framework can address its effects or explain agreement outcomes.

2.2.2 *Lowest common denominator*

Much of the discussion has centered on the concept of the lowest common denominator (LCD) in the EU studies (Elgström and Jönsson 2000; Falkner 2011; Garrett 1995; Garrett and Tsebelis 1996; Meunier 2000; Moravcsik 1991, 1993; Peters 1997; Scharpf 1988). When each member state possesses the power of veto, the final outcome of the international negotiation may converge to the LCD under the condition that the negotiation is in one dimension.

The LCD concept has been used to study the European integration process (Garrett 1995, Garrett and Tsebelis 1996; Marks *et al.* 1996; Moravcsik 1991; Peters 1997) as well as various stages of policy-making process (Elgström and Jönsson 2000; Forster 1998; Meunier 2000). Many of the existing studies presume a single dimensional space in analyzing decision-making over European integration and various international negotiations. A notable exception in this literature is Moravcsik (1993: 42), who notes ‘The SEA negotiations can be interpreted as a process of limiting the *scope* and *intensity* of reform – a process necessary to gain the acceptance not only of Britain but also of other member states’ (emphasis added). In a similar line of argument, analyzing the Treaty of Amsterdam, Hug and König (2002) argue that it was concluded after a maximalist project involving some 79 issues was modified by dropping almost half of them in order to reach the final agreement. Hug and König apply a ‘two-level games’ analysis and find that the countries with many

constraints in the domestic arena (e.g., bicameral parliaments, qualified majorities, etc.) were able to eliminate the issues they considered objectionable.

2.2.3 *Formal models*

There are several schools that consider the preferences of the actors in a multi-dimensional space, calculating the outcome as a function of these preferences, the *status quo* and prevailing institutions. These approaches frequently use non-co-operative game theory where specific institutional structures are essential in the calculations (Crombez 1996, 1997; Steunenbergh 1994; Tsebelis 1994, Tsebelis and Garrett 2001). To determine the outcome function, one must consider who controls the agenda (e.g., the European Parliament [EP], the Commission, or the Council), the decision-making rule (simple majority, qualified majority and consensus), and the intermediate steps (and what information is transmitted). Approaches may instead use aspects of co-operative game theory such as a dimension-by-dimension median (DDM) (Bueno de Mesquita 1994; Crombez and Hix 2011; Proksch 2012), the Nash bargaining solution (Achen 2006a; Bailer and Schneider 2006; Schneider *et al.* 2010), or another co-operative game theoretic concept,⁶ and may include a comparison of this concept with the *status quo* (Achen 2006b; Thomson 2011). While these approaches are very different in terms of methodology (they use co-operative or non-co-operative game theory and deal with dimensions all together or one at a time), they share the characteristic that they leave intact the underlying dimensionality of the space, which is the criterion we use for classification.

3. SUBSUMING THE LITERATURES IN ONE MODEL

Each of the literatures discussed presents a plausible argument, but does not address the others, despite the fact that they all deal with the text of agreements or with how these agreements have been made possible. We present a more encompassing framework, which subsumes these arguments and enables the reader to compare the arguments at the theoretical level and assess their empirical accuracy.

Sebenius (1983), the first to academically study the number of dimensions in a treaty, focused on the macro level and presented a series of *possibility* results. For example, he argues:

‘In a more positive vein, issue addition can yield joint gains that enhance or create a zone of possible agreement. Separation of issues may preclude any chance of individual settlement while combining issues may make advantageous agreement possible.’ (Sebenius 1983: 314)

He continues that the analysis ‘helps to explain why sequential resolution of items in negotiation can preclude some beneficial settlements’ (*ibid.*: 315). This statement implies that package deals (in opposition to elimination) are a way to make agreements possible. While the practice of adding and subtracting

issues or players had been a standard practice in negotiations, his article introduced it to the scholarly literature.

Riker (1982) was the first to emphasize the number of dimensions of the policy space as a major issue in politics. He argued that the essence of politics can be summarized as follows: minorities bring a new issue into a political debate to make the previous equilibrium collapse and to split the majority supporting it, and they then join a part of the now-divided majority to form a new majority in the new policy space. He presented the argument in terms of majority rule and moving from one dimension (where the median voter always exists and cannot be defeated (i.e., the 'core' of the political system) to two (where the median voter – and core – ceases to exist). However, the argument can be extended to qualified majorities and to any number of dimensions (see Greenberg 1979: Theorem 2)⁷ According to Riker, the existence of an equilibrium outcome and the creation of a disequilibrium for political exploitation is the essence of what we understand as politics. Thus, increasing or decreasing the number of dimensions may be extremely important in achieving or undermining an agreement.

This focus on the difference of dimensions departs from the traditional use, which is based on factor analytic techniques where the researcher bundles together issues in order to communicate with the reader in a summary way, as well as assess (approximately) the positions of the different actors along these dimensions. A very good presentation of this traditional approach can be found in Hug and König (2002: 461), who identify 79 dimensions in the draft of the Treaty of Amsterdam. They speak about items such as 'recognition of cultural/linguistic diversity and protection of minorities' (item no. 15). This dimension can be subdivided into cultural, linguistic and minority protection, and each one of these items could have a large number of categories like freedom of religion, right of political organization, right to name these organizations, the way they want, etc. For reasons of simplicity the researchers summarize all these possibilities in one item. If one wanted to identify the specific number of dimensions involved, it would be impossible. By contrast, it is possible to compare two texts and see whether the number of dimensions increases or decreases, which is our strategy in this article.

Altering the dimensionality of the underlying policy space grounds our comparison of the different arguments about negotiations and achievement of agreements. We argue that the (very diverse) literatures on agreements, compromises, policy outcomes and decision-making process can be classified in the following three categories:

- (1) Compensation: increases the dimensionality to achieve agreement. We call this literature 'compensation' because commonly one actor in (some of) the existing dimensions gets compensated by the introduction of a new dimension(s). This satisfies the would-be losers, and entices them to accept the deal. This includes the arguments presented in the 'package deal' literature. Arguments in this literature contradict Riker (1982), who expects the

introduction of new dimensions to undermine deals (we see a similar argument in Sebenius [1983]). The ‘package deal’ literature assumes that different actors have affinities with different dimensions, and they trade favors across the dimensions. Both assumptions are plausible, and the expectations they generate are contradictory. We use empirical evidence to sort out these arguments.

- (2) Elimination: decreases the number of dimensions to achieve agreement. This approach resonates with Riker’s (1982) argument (actually, the converse of his argument), because reaching the core of the policy space entails discarding issues (dimensions) of disagreement. We classify the literatures on legal precision and length of text as well as the least common denominator into this category.

There are two distinct ways of reducing the dimensionality: increasing ambiguity or reducing scope. In both cases something is removed from the initial document. In other words, the players participating in Treaty negotiations may make an issue more ambiguous so that different behaviors can be considered as consistent with the text of the Treaty *or* eliminate the particular part of the text altogether, in which case different behaviors are obviously permissible. Precision is a subset of dimensionality and decreasing precision, in addition to eliminating the issues of disagreement, is one of the possible ways to achieve agreement among parties that have significant differences. In this respect, the literature on ambiguity (or imprecision) and the literature on the LCD can be subsumed under the elimination of dimensions in our approach. A special mention has to be made about the LCD literature. Verbally (as well as in most of the literature) the reference is to a single underlying dimension. In such a case, one cannot reduce the number of dimensions any further. A more accurate way of expressing the idea in one dimensional models would be by the terms ‘lowest common value’.⁸

- (3) Compromise: does not alter the number of underlying policy dimensions. This is probably the most extensive part of the literature, since all the formal models (co-operative and non-co-operative) that we discussed above are by definition classified here because the starting point of all these models is the assignment of preferences to the different actors, and then the calculation of the final outcome, either on the basis of some reasonable and shared criterion (co-operative game theoretic models) or through the use of different rules (non-co-operative game theoretic models).

4. BACKGROUND OF THE FISCAL COMPACT

4.1. Background

The 2010 sovereign debt crisis exposed structural weakness in the EU’s fiscal framework. Whereas monetary policy for the euro area member states was determined by the European Central Bank (ECB), taxation and government expenditure still remained mostly under the control of national governments,

despite the limits imposed by the Stability and Growth Pact (SGP) and its reinforcement through five regulations and one directive, known as the 'Six Pack', in 2011. As budgetary decisions taken in the member states have a significant impact beyond the national borders, there have been proposals to adopt a form of fiscal union for ensuring prudent fiscal policies across member states and for further economic integration of the EU.

The fear of a spreading sovereign debt crisis led the heads of the EU to take further steps to restore fiscal confidence and stability. At the core was the strong partnership between Germany and France. French President Nicolas Sarkozy and German Chancellor Angela Merkel's meeting at Deauville on 18 October 2010 produced a compromise that called for tougher monitoring of countries' budgets and economic policies, and an amendment to the treaties of the EU to address the eurozone's debt crisis. After an exchange of mutual concessions, once again, in December 2011, a few days before a meeting of the European Council, the two leaders announced that they would 'force-march' the eurozone towards stricter rules to ensure that a debt crisis could never happen again (*Economist* 2011).

On 9 December 2011, at the European Council meeting, all 17 members of the eurozone and the other EU countries that desire to join the euro laid down the outline of a new fiscal compact and a stronger co-ordination of economic policies. On 2 March 2012, all the EU member states except for the United Kingdom and the Czech Republic signed the Treaty on Stability, Co-ordination and Governance in the Economic and Monetary Union (TSCG). The Treaty entered into force on 1 January 2013 after ratification of the 12th eurozone member state, Finland (December 2012). As of 28 May 2013, the Fiscal Compact had been ratified by 14 of 17 eurozone states, and by six of the eight other signatories. However, the provisions regarding governance (Title V) are already applicable to all the Contracting Parties.

The Treaty reinforces existing fiscal rules, including the SGP and the Six Pack, and introduces new ones along with more effective sanctions. The content of the Treaty consists of 16 articles (divided into six titles), preceded by a lengthy preamble. Whereas this preamble sets out the background of the Treaty (why the countries, known as the 'Contracting Parties,' agreed on the Treaty, and what its main contents are), the following numbered articles contain agreement which addresses three main issues: (1) fiscal stability, i.e., the rules on the level of government deficit and government debt; (2) economic co-ordination in the EU; (3) how the eurozone is governed.

Under the pressure of the crisis, the Fiscal Compact Treaty passed through six successive drafts in less than two months (from 9 December 2011 to 31 January 2011) before the final version was adopted. This treaty has another unusual but important feature: that the six successive drafts are publicly available, and thus provide a unique opportunity to study the dynamic process of establishing an agreement among the countries that have different positions. The main objective of this article is to understand how the three different procedures (compensation, elimination and compromise), corresponding to an increase, decrease or

preservation of the dimensionality of the underlying policy space, are used to reach an agreement over the negotiation process.

4.2. Key provisions

We divide the articles of the Treaty into ‘non-enforceable’ (the preamble) and ‘enforceable’ (the main part of the Treaty). We then use the Council’s press releases on the Treaty to determine whether portions of the enforceable section are ‘non-significant’ or ‘significant’, to examine whether there is any difference in the ways of achieving agreement on the basis of the importance of disagreements. These press releases summarize key elements of the Treaty. In particular, the press release published on 21 December 2012, following Finland’s ratification, provides the most comprehensive summary of the key provisions of the Treaty. These central provisions are mainly concerning the ‘Title III Fiscal Compact’, which address the issue of fiscal rules and discipline, while several other provisions on the overall purpose of the Treaty (Article 1 (1)) and the procedures including the ratification process (Article 12 (2), Article 14 (2) and Article 16) are also included in the press release.⁹

We also included one additional change across drafts in the category of the important provisions: the title of the document. The title of the document changed from ‘International Agreement on Reinforced Economic Union’ (1st draft), to ‘International Treaty on Reinforced Economic Union’ (2nd draft), and finally to ‘Treaty on Stability, Co-ordination and Governance in the Economic and Monetary union’ (3rd draft). The broad concept of a ‘reinforced economic union’ which reflected early stages of negotiations has been specified as shown in the long title of the final version.

5. METHODOLOGY

The use of language is crucial in any legal document – not only do law-makers cautiously choose particular words when drafting legislation, but courts also pay special attention to those words when stating their grounds for decisions. In drafting the Treaty, each actor may have a different preference over word choice. It is very important to pay close attention to the selection of different words in different drafts of the Treaty. To begin with, if a word is modified in the text, including substantive words like nouns or adjectives or verbs and connecting words (like ‘and’ or ‘or’), it may result in a change of the corresponding number of dimensions.¹⁰

If words are added, the question is whether they are explaining substance that was already there or not. If the new word explains what was already there and makes it more explicit, then we have a reduction of dimensions (elimination). If, for example, we reduce the word ‘economic and financial’ to the word ‘financial’ we are reducing the number of dimensions, while if we add the word ‘social’ we are increasing the corresponding number (compensation). If we drop a word, then we are potentially making the text less precise, and therefore we are

(potentially) reducing the number of dimensions. Finally, we may replace words, and then the assessment becomes more complicated, because the new word may imply a different compromise among the existing ones or add or subtract dimensions (if it is more or less encompassing than the previous one). When we look at the text of two successive drafts and we try to assess whether there was an increase or decrease of dimensions in the new draft, we have to focus at the meaning of the words added, subtracted or changed.

This analysis requires very close attention to the meaning of words and consequently presents significant differences from computerized approaches that count number of words, and leads to no correlation between our findings and theirs. To understand the difference between our approach and previous empirical analyses, we conduct a series of correlation analyses. In particular we examine the correlations between our results and the measure of length of legal text, which is frequently used in the empirical analysis of the legal documents.¹¹ These correlation results¹² demonstrate that our concept of compensation, elimination and compromise, and their measures reflect the aspects of the agreement that are not measured merely by the changes in the number of the words, on which many previous empirical studies focus.¹³

On the other hand, the elimination of a word, increases the uncertainty (and reduces the dimensionality) of the corresponding text. This is why Tsebelis's (2013)'s measure of 'imprecision' is correlated with our measure of 'elimination'.¹⁴

But this is only part of the assessments we had to do. In many sentences of legal text there are lots of conjunctions, and if we replace an 'and' by an 'or', we have an expansion of dimensions, because we are moving from an intersection to a union of content of the words involved. The opposite would mean a reduction of dimensions. This is the simplest example. If we look at the actual language, the text may involve commas, or verbal conjunctions, but the way it is expressed does not necessarily correspond to the rules of formal logic. For example, if we speak about 'war and peace', we will not expect to find both these concepts in every sentence. Some sentences will be focusing on war, others on peace, and most of them in situations connected with each one of these concepts. Consequently, the formal text may involve the word 'and' but its logical meaning is 'or'. This ambiguity admittedly generates different interpretations for some cases. Two authors independently coded the content and agreed upon 62 cases out of 68 individual amendments, and resolved the conflicts over six cases through discussion, not through vote or imposition of one opinion over another.¹⁵

6. DATA ANALYSIS

We analyze the six drafts in two ways. First, we study the differences between the first draft and the final document to assess the method used to achieve agreements (compensation, elimination or compromise). Second, we look at the sequence of changes from each draft to the next, to assess the actual changes

and their sequence, and to analyze whether the changes are fast or slow, and whether they are unidirectional or oscillating between different methods.

6.1. Overall Amendments

We begin by introducing the descriptive statistics about the three methods used overall to address the discrepancies between the initial draft and the final document.

In [Table 1](#) we compare the first draft and the final one to see how countries with different preferences reach an agreement on the final draft of the Fiscal Compact. We find that 35 provisions were changed at least once across the six drafts. One of the most important findings is that drafters used the elimination strategy more than three-fifths of the time. Sixty-three per cent of the modifications were subjected to elimination of dimensions, whereas compromise and compensation respectively account for 3 per cent and 26 per cent of the changes between the initial draft and the final version of the Treaty. The rest (about 3 per cent) was 'No Change'. This corresponds to one provision whose initial version is the same as the final one despite some modifications in between (Article 12 (1)).

Categorizing the articles by significance, we find that both compensation and compromise are rarely used in changing the non-enforceable part of the Treaty (preamble). Almost all of the modification in the preamble is through elimination and more precisely reduction of the scope (80 per cent of changes). The most important articles are modified through elimination (60 per cent), followed by compensation strategy (40 per cent). None of the cases maintain the number of dimensions.

6.2. Amendments across five rounds of negotiations

In [Table 2](#), we pool all the six drafts to understand all the changes made across the different negotiation process to achieve an agreement.

To compare the results of [Table 1](#) and [Table 2](#), we conducted various tests of association including the Pearson's chi-squared and Fisher's Exact Test to check whether the proportion of each category (compensation, elimination and compromise) differs across two groups: overall changes from the initial draft to the final draft v. individual changes between six successive drafts. We couldn't reject the null hypothesis that the proportion of aggregate change is the same as the proportion of the individual/subsequent change across five negotiations (all the p-values are larger than 0.1). This test result was consistent regarding the important provisions, preamble and all the provisions which went through modifications.

A simple way to understand this finding is that there was no significant difference in numbers whether we analyze the changes in one step (from the initial draft to the final document) or in six steps (one draft at a time). The overall results of use of each method remain the same; the only difference is that the

Table 1 Overall amendments (change from draft 1 to draft 6): descriptive statistics

Amendment		Enforceable						Total	
		Not enforceable		Not important		Important			
Elimination by	Reduction of scope	8	8	8	10	5	6	21	24
		<i>38.10%</i>		<i>38.10%</i>		<i>23.81%</i>		<i>100.00%</i>	
	Increase in ambiguity	0	33.33%	2	41.67%	1	25.00%	3	100.00%
		<i>0.00%</i>		<i>66.67%</i>		<i>33.33%</i>		<i>100.00%</i>	<i>68.57%</i>
Compromise		0.00%	13.33%		10.00%		8.57%		
		1		0		0		1	
		<i>100.00%</i>		<i>0.00%</i>		<i>0.00%</i>		<i>100.00%</i>	
Compensation		10.00%		0.00%		0.00%		2.86%	
		1		4		4		9	
		<i>11.11%</i>		<i>44.44%</i>		<i>44.44%</i>		<i>100.00%</i>	
No change		10.00%		26.67%		40.00%		25.71%	
		0		1		0		1	
		<i>0.00%</i>		<i>100.00%</i>		<i>0.00%</i>		<i>100.00%</i>	
Total		0.00%	6.67%		40.00%		2.86%		
		10		15		10		35	
		<i>28.57%</i>		<i>42.86%</i>		<i>28.57%</i>		<i>100.00%</i>	
	100.00%		100.00%		100.00%		100.00%		

Note: Key summary statistics that are discussed in the article are shown in italics.

Table 2 Amendments across five rounds of negotiations: descriptive statistics

<i>Amendment</i>		<i>Enforceable</i>						<i>Total</i>	
		<i>Not enforceable</i>		<i>Not important</i>		<i>Important</i>			
Elimination by	Reduction of scope	12 31.58%	12 80.00%	14 46.67%	22 44.00%	13 56.21%	17 32.00%	39 57.35%	51 100.00%
	Increase in ambiguity	0 0.00%	24.00 80.00%	8 26.67%	73.33%	4 17.39%	73.91%	12 17.65%	75.00%
Compromise		2 50.00%		1 25.00%		1 25.00%		4 100.00%	
Compensation		1 7.14%		3 50.00%		5 42.86%		13 100.00%	
Total		15 22.06%		30 44.12%		23 33.82%		68 100.00%	
		100.00%		100.00%		100.00%		100.00%	

Note: Key summary statistics that are discussed in the article are shown in italics.

number of observations increases when using the second method, since each amendment is changed several times.

Figure 1 produces a succinct way of looking at all the modifications. It is a stacked area chart which shows that some agreements are reached in early rounds and others later. We find that most of the changes were made at the first and the second rounds of the negotiations, and the proportion of the total number of changes gradually decreased as the negotiations proceeded. Many observations of ‘No Change’ at the latter stages depress the overall proportion of each method. Nevertheless, most of the findings are consistent with previous results shown in Table 1. In Table 2, we include only the provisions that experienced modifications in Table 1. Specifically, the elimination strategy proved to be the most frequently used method across six drafts (74 per cent of all the changes), followed by compensation (21 per cent) and compromise (6 per cent). Second, compensation and compromise were rarely used in the changes regarding the preamble (about 13 per cent and 7 per cent

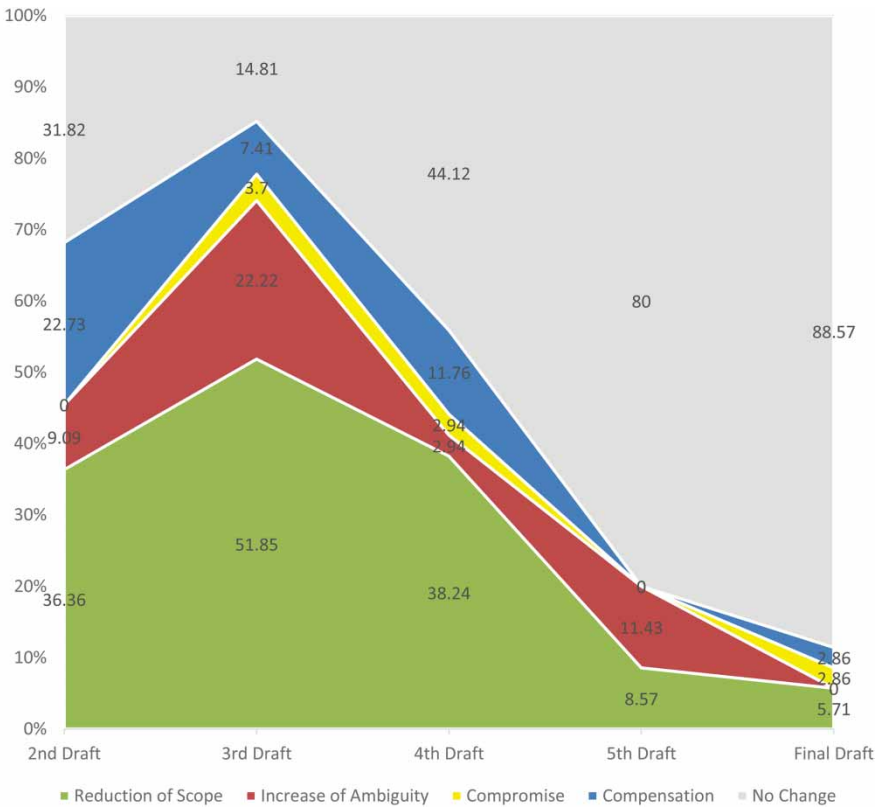


Figure 1 Elimination, compromise, and compensation over the negotiations: stacked area chart

respectively), whereas elimination, in particular the strategy of reducing the scope, was used the most frequently. Third, regarding modification of the most important articles, elimination strategy (70 per cent) and compensation strategy (26 per cent) account for the most of the changes.

6.3. Number of modifications, duration, and directionality

Our dataset allows us to analyze successive drafts in terms of three important aspects. First, we counted the *number* of modifications each article underwent. Our expectation was that important amendments would be more intensely negotiated, and more frequently changed. Second, we studied the *duration* of these modifications, whether the agreement is reached in the early rounds of the negotiation, or achieved only in the last ones. We did not have any expectation about duration because, while important amendments will take a long time, it is possible that not-important ones will be disputed only in the final stages of the process. Note that the number of modifications may have no direct relationship to how long it takes for the countries to reach the agreement over the final draft.¹⁶ Finally, we were interested in the *directionality* of changes, whether all the amendments were following the same pattern of increasing, decreasing or keeping the same number of dimensions, or these methods were mixed with each other in order to achieve agreement. Again, we were expecting different methods to be used for the important provisions.

6.3.1 Number of amendments

Our estimation results show that important provisions are more likely to go through more modifications over the negotiation process before the final version is adopted.¹⁷ For example, in contrast to preamble, the average number of modifications of which is 1.5, an important provision such as Article 3 (2) (which specifies the transposition of the balanced budget rule and the correction mechanism into the national law) has been revised four times across five rounds of negotiations.

6.3.2 Duration

We found that significance does not affect the number of rounds required to achieve agreement;¹⁸ that is, even if important provisions (or provisions that are enforceable) are likely to go through more modifications, it is difficult to say that it takes more time for the countries to reach the agreement about those provisions. Provisions such as Article 11 and Article 12 (3) have been modified at the final round of negotiation, although they are classified as 'less important'. In contrast, important provisions such as Article 5 (1), Article 14 (2) and Article 16 have been finalized relatively early period of the early period of the negotiation.

6.3.3. *Directionality*

According to our estimation,¹⁹ more significant provisions are less likely to go through unidirectional changes in terms of their dimensionality over the negotiation process. Based on the calculation of the predicted probability regarding one-directional change, there exists a significant difference among more important provisions, less important ones, and non-enforceable cases: important provisions undergo unidirectional changes 23 per cent of the time, less important ones 55 per cent and non-enforceable changes 83 per cent of the time. For example, countries sometimes use compensation and other times use elimination to reach an agreement over more important provisions. Conversely, less significant provisions or provisions that are not enforceable are more likely to go through only one method, which is mainly elimination. Only one method (elimination strategy) was used in most of the unenforceable provisions (except for one case in our data) over the negotiation, whereas important provisions often experienced both an increase and a decrease of dimensions across different drafts. For example, an important provision such as Article 1 (1) experienced elimination by reducing the scope in the second draft, and elimination by increasing ambiguity in the third draft, but compensation in the fourth draft.

7. CONCLUSIONS

We demonstrated that the dimensionality of the underlying space provides an insight into modifications of Treaties and comparison of negotiations. We suggested a framework to understand modifications in terms of dimensionality of underlying space so that comparisons of negotiations across Treaties will become possible.

We proposed a new framework to integrate the previously disconnected studies based on the understanding of the dimensionality of the underlying space of the international agreement. Specifically, we demonstrate that elimination, compensation and compromise can be used to achieve an agreement among various actors with different preferences. On the basis of this framework we analyzed the Fiscal Compact in each step of the negotiation process (the six existing drafts) as well as at the aggregate level (from first draft to the final document).

The most important finding is the dominance of the elimination strategy, particularly given what the literature would lead us to believe. Indeed, most of the existing studies on legislation assume that the number of dimensions is preserved, and the anecdotal evidence speaks about ‘package deals’ (increasing dimensions). Although there are a few studies that imply this notable finding, they either simply stated the possibility through a case study (Moravcsik 1993), or eliminated the other possible methods by assumption despite the overwhelming arguments of the package deal and the formal model literatures (Hug and König 2002). We created a dataset that permits the examination of all three possibilities (increase, decrease and preservation of dimensions). We found

out that over half of the agreements are achieved through elimination. In this respect we agree with Hug and König (2002), but not only we do not assume that reduction of dimensions is the only strategy, but we find some 20 or 25 per cent of the cases where the opposite was true. In the detailed analysis of the amendments, we find cases where both methods were used in order to achieve agreement on significant amendments. Our findings remain the same whether we analyze all articles together or just the significant ones alone.

In terms of the sequence of amendments (from one draft to the next), most of the changes were made in the first and the second rounds of negotiations, and the proportion of the total number of the changes decreased as the negotiations proceeded. It is notable that important provisions are more likely to go through more modifications over the negotiation process, in comparison to both less important provisions in the enforceable part of the Treaty and provisions in the non-enforceable portion of the Treaty (preamble). However, despite experiencing more modifications, there is no significant difference in the timing of finalizing amendments to important provisions or less important provisions. Additionally, important provisions are less likely to experience unidirectional changes of dimensions over the negotiation process; that is, countries tend to address their disagreement over the important provisions by switching among elimination, compromise and compensation.

Will the major empirical finding of this article, that elimination of dimensions is the most frequent method to overcome disagreements, be replicated if we apply the same methodology to other legal texts (laws, agreements and treaties)? Can we say that elimination of dimensions will be more successful than compromise (which is what all the formal literature assumes) or compensation (log-rolling and package deals as many informal accounts argue)?

While this finding is in complete agreement with Hug and König's (2002) analysis, there are several reasons to doubt whether these results will survive cross-agreement scrutiny. For example there are contextual factors in the Fiscal Compact (the magnitude of which we cannot evaluate without comparisons) which may influence results, and there may exist measurement error within our instrument.

The Fiscal Compact was signed under tremendous pressure during the collapse of the euro. As we discussed above, it was prepared by two right-wing politicians, one who represented the major creditor nation of the EU. Thus, the compact presented a 'deficit reduction' approach to the economic problems of the EU. Time limits and political disagreements made it easier to achieve agreement by eliminating provisions as opposed to adding new ones. We do not know what the extent of these biases is: only comparison with other agreements will enable us to make an accurate assessment.

Our procedure may include two inherent biases. First, we consider addition of dimensions inside the same article within the set of existing drafts. For example, it is possible that other compromises took place before the first draft. Or, some articles may have been included as compensation for the inclusion of less desirable articles. We have no way of knowing this. If one

applies the methodology suggested here to legislative politics, it is possible to miss compensations emerging not only between articles of the same bill, but also across bills. What we report in such an analysis may be the tip of the iceberg.

Second, the compromise results are underreported in the sense that preserving the number of dimensions when one can change them is obviously a special case. But the other two cases of our classification (compensation and elimination) may *also* include compromise which is not reported because it is not the major strategic device to reach agreement, as we showed through an example of Article 3 (1) above. This may explain the frequent use of elimination strategies in our data, while Hug and König (2002), when analysing a completely different agreement, come to very similar results. Similarly, Tsebelis (2013) finds that an increase in imprecision (in our terminology, one form of elimination) was used more than 50 per cent of the time in generation of EU legislation.

In this article we introduced a general framework that refers to the number of underlying dimensions of agreements, and can be used to study the production of both domestic and international legal texts. In the face of the theoretical literature (co-operative and non-co-operative game theoretic) which assumes preservation of the number of dimensions and the empirical arguments about package deals to achieve agreements, we demonstrated that the most frequently used method to lead actors to suspend their veto (in the case of the Fiscal Compact) is the elimination of issues and policy dimensions.

Biographical notes: George Tsebelis is Anatol Rapoport Collegiate Professor of political science at the University of Michigan. Hyeonho Hahm is a Ph.D. candidate in political science at the University of Michigan.

Address for correspondence: George Tsebelis, Department of Political Science, University of Michigan, 6759 Haven Hall, 505 S. State Street, Ann Arbor, MI 48109-1045, USA. email: tsebelis@umich.edu / Hyeonho Hahm, Department of Political Science, University of Michigan, 6759 Haven Hall, 505 S. State Street, Ann Arbor, MI 48109-1045, USA. email: hahm@umich.edu

ACKNOWLEDGEMENTS

We would like to thank Jean Clipperton for her comments and help, as well as the four *JEPP* referees for their insightful comments.

NOTES

- 1 As we will see below, provisions were made so that the Fiscal Compact could go into effect even if some countries would not approve it. We will focus on that issue when we discuss Article 14(2) of the Treaty.
- 2 See Diver (1983, 1989), Kaplow (1995) and Oigus (1992) for related discussions.

- 3 They argue, and empirically show that the length of a law serves as a useful, appropriate proxy for the extent to which it constrains agency policy-making; that is, 'longer statutes provide more detailed instructions, and hence provide greater constraints on the actions of bureaucrats and other political actors' (Huber and Shipan 2002: 77).
- 4 They explain this variation by institutional factors including the agency problem of judicial interpretation.
- 5 See Frieden (1992); Lange (1993); Martin (1992, 1993); Poast (2012); Tollison and Willett (1979); Weber and Wiesmeth (1991).
- 6 These concepts are selected for their pleasing formal properties such as symmetry.
- 7 Greenberg (1979) has proven that to ensure that a q-majority core exist, one must satisfy the condition $q > n/(n+1)$ where n is the number of dimensions of the policy space.
- 8 See Moravcsik (1993), and Hug and König (2002) for the exception.
- 9 Note that only the provisions which went through any modification are included in our dataset. For example, Article 14 (4) and Article 14 (5) are briefly mentioned in this press release, but they are not included in our dataset as they did not go through any modification over the negotiation process. For the details, please refer to Tsebelis's website, available at http://sitemaker.umich.edu/tsebelis/fiscal_compact_data.
- 10 This number cannot be larger than the number of players involved in the decision minus one. As a first consequence of this statement, if the decision was to be made by n players and is now to be made by $n + m$ players, the corresponding maximum number of dimensions changes by m (whether m is positive or negative). In the Treaty under consideration the number of required signators or ratifiers changes several times.
- 11 See Cooter and Ginsburg (2003), Huber and Shipan (2002) and Voigt (2009).
- 12 First, there is a negative association between the increase in the number of words and the increase in ambiguity ($r = -0.23$), and a positive association between the increase in the number of words and the reduction of scope ($r = 0.26$). As a result, the increase in the length of a provision has much less or no association with elimination ($r = 0.12$) which includes both the reduction of the scope and the increase in the ambiguity, compensation ($r = -0.04$), or compromise ($r = 0.03$).
- 13 For example, Huber and Shipan (2002) use the number of words when comparing legislation on a similar topic. Because of the inherent complexity and potential for multidimensionality within Treaties, we do not observe or expect length to correlate to the types of modifications we seek to explain.
- 14 The empirical correlation between Tsebelis's measure of imprecision and that of elimination is 0.24.
- 15 Details and representative examples regarding our coding method can be found in supplementary information available at http://sitemaker.umich.edu/tsebelis/fiscal_compact_data.
- 16 For example, both Article 12 (3) and Article 14 (2) went through two modifications over the negotiations. However, the final version of Article 12 (3), which addresses the participation of non-eurozone countries in the Euro Summit meeting, was negotiated until the last moment (on 30 January 2012) whereas Article 14 (2), which is regarding the countries required to ratify for the Treaty to come into force, took its final form by the second round of amendment, i.e., at the third draft.
- 17 To analyze our count data, we used the negative binomial analysis with robust standard errors. The dependent variable is the number of modifications over the negotiation process, and the independent variable is related to the significance of the provision based on the three category: not-enforceable (i.e., preamble) 0, enforceable but less significant 1, enforceable and more significant 2. The coefficient for

- the independent variable is 0.21, and its p-value is 0.002. We also examine the difference in the number of modifications between the preamble (not enforceable) and non-preamble provisions (enforceable). The result is consistent with the first result. The coefficient for the independent variable is 0.33 and its p-value is 0.013.
- 18 To analyze this duration data, we estimated the Cox proportional hazard model with robust standard errors. As there are six drafts, a provision can be subject to up to maximum five rounds of amendments. The dependent variable of this regression estimation indicates when the given provision's final version is adopted (for example, the first round of negotiation = 1, and the last negotiation = 5). The independent variable is related to the significance of the provision based on the three categories: not-enforceable (i.e., preamble) 0; enforceable but less significant 1; enforceable and more significant 2. The coefficient for the independent variable is 0.04, and its p-value is 0.79. This result was consistent when we use an alternative independent variable, *Preamble*. The coefficient for the independent variable is -0.02 and its p-value is 0.94.
- 19 We used logit analysis. Each observation is classified either unidirectional (i.e., only one method among compensation, elimination and compromise is used) or not, in terms of its dimensional change, as the dependent variable is whether its dimensional change is unidirectional or not (1 if unidirectional, otherwise 0).

REFERENCES

- Achen, C. (2006a) 'Institutional realism and bargaining models', in R. Thomson, F. Stokman, C. Achen and T. König (eds), *The European Union Decides*, Cambridge: Cambridge University Press, pp. 86–123.
- Achen, C. (2006b) 'Evaluating political decision-making models', in R. Thomson, F. Stokman, C. Achen and T. König (eds), *The European Union Decides*, Cambridge: Cambridge University Press, pp. 264–98.
- Aspinwall, M. (2007) 'Government preferences on European integration: an empirical test of five theories', *British Journal of Political Science* 37: 89–114.
- Bailer, S. and Schneider, G. (2006) 'Nash versus Schelling? The importance of constraints in legislative decision-making', in R. Thomson, F. Stokman, C. Achen and T. König (eds), *The European Union Decides*, Cambridge: Cambridge University Press, pp. 153–77.
- Bueno de Mesquita, B. (1994) 'Political forecasting: an expected utility model', in B. Bueno de Mesquita, and F. Stokman. (eds), *European Community Decision Making: Models, Applications and Comparisons*, New Haven, CT: Yale University Press, pp. 71–104.
- Cini, M. (1996) *The European Commission: Leadership, Organization and Culture in the EU Administration*, Manchester: Manchester University Press.
- Cooter, B. and Ginsburg, T. (2003). 'Leximetrics: why the same laws are longer in some countries than in others', *Working Paper No.03-012, June*, University of Illinois, College of Law.
- Crombez, C. (1996) 'Legislative procedures in the European Community', *British Journal of Political Science* 26: 199–228.
- Crombez, C. (1997) 'The co-decision procedure in the European Union', *Legislative Studies Quarterly* 22: 97–119.
- Crombez, C. and Hix, S. (2011) 'Treaty reform and the Commission's appointment and policy-making role in the European Union', *European Union Politics* 12(3): 291–314.
- Dimitrova, A. and Steunenberg, B. (2000) 'The search for convergence of national policies in the European Union: an impossible quest?', *European Union Politics* 1(2): 201–26.

- Diver, C.S. (1983) 'The optimal precision of administrative rules', *Yale Law Journal* 93(1): 65–109.
- Diver, C.S. (1989) 'Regulatory precision', in K. Hawkins, and J. Thomas (eds), *Making Regulatory Policy*, Pittsburgh, PA: University of Pittsburgh Press, pp. 199–232.
- Economist* (2011) 'The euro crisis. One problem, two visions (part I)', available at <http://www.economist.com/blogs/charlemagne/2011/12/euro-crisis> (accessed 12 June 2013).
- Ehrlich, I. and Posner R. (1974) 'An economic analysis of legal rulemaking', *Journal of Legal Studies* 3(2): 257–86.
- Elgström, O. and Jönsson, C. (2000) 'Negotiation in the European Union: bargaining or problem-solving?', *Journal of European Public Policy* 7(5) 684–704.
- Falkner, G. (2011) *The EU's Decision Traps: Comparing Policies*, Oxford: Oxford University Press.
- Forster, A. (1998) 'Britain and the negotiation of the Maastricht Treaty: a critique of liberal intergovernmentalism', *Journal of Common Market Studies* 36(3): 347–67.
- Frieden, J. (1992) 'European monetary union: a political economy perspective', Paper presented at the SSRC Conference on the Foreign Policy Consequences of Economic and Political Liberalization. Ballyvaughan, Ireland.
- Garrett, G. (1995) 'From the Luxembourg compromise to codecision: decision making in the European Union', *Electoral Studies* 14(3): 289–308.
- Garrett, G. and Tsebelis, G. (1996) 'An institutional critique of intergovernmentalism', *International Organization* 50(2): 269–99.
- Greenberg, J. (1979) 'Consistent majority rule over compact sets of alternatives', *Econometrica* 47: 627–36.
- Hagemann, S. (2008) 'Voting, statements and coalition-building in the Council from 1999 to 2006', in D. Naurin and H. Wallace (eds), *Unveiling the Council of the European Union: Games Governments Play in Brussels*, New York: Palgrave Macmillan, pp. 36–63.
- Hagemann, S. and De Clerk-Sachsse, J. (2007) 'Old rules, new game. Decision-making in the Council of Ministers after the 2004 enlargement', *Special Report*, Brussels: Centre for European Policy Studies.
- Hayes-Renshaw, F. and Wallace, H. (1997) *The Council of Ministers* (1st edn), Basingstoke: Macmillan.
- Hayes-Renshaw, F., van Aken, W. and Wallace, H. (2006) 'When and why the EU Council of Ministers votes explicitly', *Journal of Common Market Studies* 44(1): 161–94.
- Heisenberg, D. (2005) 'The institution of 'consensus' in the European Union: formal versus informal decision-making in the Council', *European Journal of Political Research* 44(1): 65–90.
- Huber, J. and Shipan, C. (2002) *Deliberate Discretion? Institutional Foundations of Bureaucratic Autonomy*, Cambridge: Cambridge University Press.
- Hug, S. and König, T. (2002) 'In view of ratification: governmental preferences and domestic constraints at the Amsterdam Intergovernmental Conference', *International Organization* 56(2): 447–76.
- Kaplow, L. (1995) 'A model of the optimal complexity of legal rules', *Journal of Law, Economics, and Organization* 11(1): 150–63.
- König, T. and Junge, D. (2009) 'Why don't veto players use their power?', *European Union Politics* 10(4): 507–34.
- Kreiling, V. (2012) 'The making of a new treaty: six rounds of political bargaining', *Policy Brief No. 32, February*, Notre Europe.
- Koremnos, B. (2011) 'An economic analysis of international rulemaking', Paper presented at the American Society for International Law, Los Angeles.

- Lange, P. (1993) 'Maastricht and the social protocol: why did they do it?', *Politics and Society* 21: 5–36.
- Lewis, J. (1998a) 'Is the 'hard bargaining' image of the Council misleading? The Committee of Permanent Representatives and the Local Elections Directive', *Journal of Common Market Studies* 36 (4): 479–504.
- Lewis, J. (1998b) 'The international problem-solving capacities of the Council: The Committee of Permanent Representatives and the methods of community', *Discussion Paper 1/98*, Max-Planck-Institute für Gesellschaftsforschung.
- Lewis, J. (2000) 'The methods of community in EU decision-making and administrative rivalry in the Council's infrastructure', *Journal of European Public Policy* 7(2): 261–89.
- Marks, G., Hooghe, L. and Blank, K. (1996) 'European integration from the 1980s: state-centric v. multi-level governance', *Journal of Common Market Studies* 34(3): 341–78.
- Martin, L. (1992) 'Institutions and cooperation: sanctions during the Falkland Islands conflict', *International Security* 16: 143–78.
- Martin, L. (1993) 'International and domestic institutions in the EMU process', *Economics & Politics* 5: 125–44.
- Mattila, M. and Lane, J. (2001) 'Why unanimity in the Council? A roll call analysis of Council voting', *European Union Politics* 2(1): 31–52.
- Mattila, M. (2004) 'Contested decisions: Empirical analysis of voting in the European Union Council of Ministers', *European Journal of Political Research* 43: 29–50.
- Mattila, M. (2008) 'Voting and coalitions in the Council after the enlargement', In D. Naurin and H. Wallace (eds), *Unveiling the Council of the European Union: Games Governments Play in Brussels*, Basingstoke: Palgrave Macmillan.
- Meunier, S. (2000) 'What single voice? European institutions and EU–US trade negotiations', *International Organization* 54(1): 103–35.
- Moravcsik, A. (1991) 'Negotiating the Single European Act: national interests and conventional statecraft in the European Community', *International Organization* 45(1): 19–56.
- Moravcsik, A. (1993) 'Preferences and POWER in the European Community: a liberal intergovernmentalist approach', *Journal of Common Market Studies* 31(4): 473–524.
- Ogus, A. (1992) 'Information, error costs and regulation', *International Review of Law and Economics* 12(4): 411–21.
- Peters, G. (1997) 'Escaping the joint-decision trap: repetition and sectoral politics in the European Union', *West European Politics* 20(2): 22–36.
- Poast, P. (2012) 'Does issue linkage work? Evidence from European alliance negotiations, 1860 to 1945', *International Organization* 66(2): 277–310.
- Proksh, S. (2012) 'Revealing constitutional preferences in the European convention', in D. Finke, T. König, S. Proksch, and G. Tsebelis (eds), *Reforming the European Union: Realizing the Impossible*, Princeton, NJ: Princeton University Press, pp. 62–75.
- Riker, W. (1982) *Liberalism against Populism*, San Francisco, CA: W.H. Freeman.
- Scharpf, F. (1988) 'The joint-decision trap: lessons from German federalism and European integration', *Public Administration* 66(3): 239–78.
- Schneider, G., Finke, D. and Bailer, S. (2010) 'Bargaining power in the European Union: an evaluation of competing game-theoretic models', *Political Studies* 58: 85–103.
- Sebenius, J. (1983) 'Negotiation arithmetic: adding and subtracting issues and parties', *International Organization* 37(2): 281–316.

- Steunenberg, B. (1994) 'Decision making under different institutional arrangements: legislation by the European Community', *Journal of Institutional and Theoretical Economics* 150(4): 642–69.
- Thomson, R. (2011) *Resolving Controversy in the European Union*, Cambridge: Cambridge University Press.
- Tollison, R.D. and Willett, T.D. (1979) 'An economic theory of mutually advantageous issue linkages in international regimes', *International Organization* 33(Autumn): 425–49.
- Tsebelis, G. (1994) 'The power of the European Parliament as a conditional agenda-setter', *American Political Science Review* 88: 128–42.
- Tsebelis, G. (2013) 'Bridging qualified majority and unanimity decisionmaking in the EU', *Journal of European Public Policy* 20(8): 1083–1103.
- Tsebelis, G. and Garrett, G. (2001) 'The institutional foundations of intergovernmentalism and supranationalism in the European Union', *International Organization* 55(2): 357–90.
- Van Schendelen, M. (1996) "'The Council decides": does the Council decide?', *Journal of Common Market Studies* 34(4): 531–48.
- Voigt, S. (2009) 'Explaining constitutional garrulity', *International Review of Law and Economics* 29: 290–303.
- Westlake, M. (1995) *The Council of the European Union*, London: Cartermill.
- Weber, S. and Wiesmeth, H. (1991) 'Issue linkage in the European Community', *Journal of Common Market Studies* 29: 255–67.